

**Menominee & Ingallston  
Township Transfer Station**

Financial Report

For the Year Ended  
March 31, 2008

# Auditing Procedures Report V1.04

[Reset Form](#)[Email](#)

Issued under Public Act 2 of 1968, as amended.

Unit Name	Menominee Ingallston Transfer Station	County	MENOMINEE	Type	OTHER	MuniCode	
Opinion Date-Use Calendar	Jul 30, 2008	Audit Submitted-Use Calendar	Aug 15, 2008	Fiscal Year-Use Drop List		2008	

If a local unit of government (authorities & commissions included) is operating within the boundaries of the audited entity and is NOT included in this or any other audit report, nor do they obtain a stand-alone audit, enclose the name(s), address(es), and a description(s) of the authority and/or commission.

**Place a check next to each "Yes" or non-applicable question below. Questions left unmarked should be those you wish to answer "No".**

<input checked="" type="checkbox"/>	1. Are all required component units/funds/agencies of the local unit included in the financial statements and/or disclosed in the reporting entity notes to the financial statements?
<input checked="" type="checkbox"/>	2. Does the local unit have a positive fund balance in all of its unreserved fund balances/unrestricted net assets?
<input checked="" type="checkbox"/>	3. Were the local unit's actual expenditures within the amounts authorized in the budget?
<input checked="" type="checkbox"/>	4. Is this unit in compliance with the Uniform Chart of Accounts issued by the Department of Treasury?
<input checked="" type="checkbox"/>	5. Did the local unit adopt a budget for all required funds?
<input checked="" type="checkbox"/>	6. Was a public hearing on the budget held in accordance with State statute?
<input checked="" type="checkbox"/>	7. Is the local unit in compliance with the Revised Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, and other guidance as issued by the Local Audit and Finance Division?
<input type="checkbox"/>	8. Has the local unit distributed tax revenues, that were collected for another taxing unit, timely as required by the general property tax act?
<input checked="" type="checkbox"/>	9. Do all deposits/investments comply with statutory requirements including the adoption of an investment policy?
<input checked="" type="checkbox"/>	10. Is the local unit free of illegal or unauthorized expenditures that came to your attention as defined in the Bulletin for Audits of Local Units of Government in Michigan, as revised (see Appendix H of Bulletin.)
<input checked="" type="checkbox"/>	11. Is the unit free of any indications of fraud or illegal acts that came to your attention during the course of audit that have not been previously communicated to the Local Audit and Finance Division? (If there is such activity, please submit a separate report under separate cover.)
<input checked="" type="checkbox"/>	12. Is the local unit free of repeated reported deficiencies from previous years?
<input checked="" type="checkbox"/>	13. Is the audit opinion unqualified?
	14. If not, what type of opinion is it? <input type="text" value="NA"/>
<input checked="" type="checkbox"/>	15. Has the local unit complied with GASB 34 and other generally accepted accounting principles (GAAP)?
<input checked="" type="checkbox"/>	16. Has the board or council approved all disbursements prior to payment as required by charter or statute?
<input checked="" type="checkbox"/>	17. To your knowledge, were the bank reconciliations that were reviewed performed timely?
<input type="checkbox"/>	18. Are there reported deficiencies?
<input type="checkbox"/>	19. If so, was it attached to the audit report?

General Fund Revenue:	\$ 41,445.00
General Fund Expenditure:	\$ 42,091.00
Major Fund Deficit Amount:	\$ 0.00

General Fund Balance:	\$ 669.00
Governmental Activities Long-Term Debt (see instructions):	\$ 0.00

We affirm that we are certified public accountants (CPA) licensed to practice in Michigan. We further affirm the above responses have been disclosed in the financial statements, including the notes, or in the Management Letter (Reported deviations).

CPA (First Name)	Carl	Last Name	Sorensen	Ten Digit License Number	12650
CPA Street Address	PO Box 225	City	Marinette	State	WI
				Zip Code	54143
				Telephone	+1 (715) 735-9021
CPA Firm Name	Carl R Sorensen CPA	Unit's Street Address	PO Box 225	City	Marinette
				LU Zip	54143

# Menominee & Ingallston Township Transfer Station

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# Carl R. Sorensen

Certified Public Accountant

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## INDEPENDENT AUDITOR'S REPORT

Menominee & Ingallston Township  
Transfer Station Board  
Menominee County, Michigan

I have audited the accompanying general purpose financial statements of the Governmental Activities of Menominee & Ingallston Township Transfer Station, Menominee County, Michigan, for the year ended March 31, 2008, as listed in the table of contents. These general purpose financial statements are the responsibility of the Township's board. My responsibility is to express an opinion on these financial statements based on my audit.

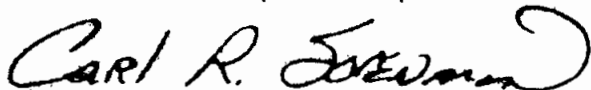
I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above present fairly, in all material respects, the respective financial position of the Governmental Activities of Menominee & Ingallston Township Transfer Station, Menominee County, Michigan, as of March 31, 2008, and the respective changes in financial position thereof for the year ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated July 30, 2008, on my consideration of the Township's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and do not provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of my audit.

### Required Supplemental Information

The Management's discussion and analysis and budgetary comparison information on pages 2 through 4 and page 16 is not a required part of the basic financial statements but is supplemental information required by the Governmental Accounting Standards Board. I have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplemental information. However, I did not audit the information and express no opinion on it.



July 30, 2008

## Menominee & Ingallston Township Transfer Station

### Management's Discussion and Analysis for the Year Ended March 31, 2008

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This section of Menominee & Ingallston Township Transfer Station's annual financial report presents our discussion and analysis of the Unit's financial performance during the year ended March 31, 2008. It is to be read in conjunction with the Unit's financial statements, which immediately follow. This is a requirement of the Governmental Accounting Standards Board Statement No. 34 (GASB-34) *Basic Financial Statements and Managements Discussion and Analysis for State and Local Governments* and is intended to provide the financial results for the fiscal year ending March 31, 2008.

#### Using This Annual Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Menominee & Ingallston Township Transfer Station financially as a whole. The *Government-Wide Financial Statements* provide information about the activities of the whole Unit, presenting both an aggregate view of the Unit's finances and a longer term view of those finances. The fund financial statements provide the next level of detail. For Governmental activities, these statements tell how services were financed in the short term as well as what remains for future spending.

#### Fund Financial Statements

The fund level financial statements are reported on a modified accrual basis. Only those assets that are "measurable" and "currently available" are reported. Liabilities are recognized to the extent that they are normally expected to be paid with current financial resources.

In the fund financial statements, purchased capital assets are reported as expenditures in the year of acquisition. No asset is reported. The issuance of debt is recorded as a financial resource. The current year's payments of principle and interest on long term obligations are recorded as expenditures. Future years' debt obligations are not recorded.

#### Government-Wide Financial Statements

The Government-Wide financial statements are full accrual basis statements. They report all of the Unit's assets and liabilities, both short and long term, regardless if they are "currently available" or not. Capital assets and long term obligations of the Unit are reported in the Statement of Net Assets of the Government-Wide financial statements.

## Menominee & Ingallston Township Transfer Station

### Management's Discussion and Analysis for the Year Ended March 31, 2008

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#### Summary of Net Assets

The following summarizes the net assets at fiscal years ended March 31, for the Governmental activities.

	<u>2008</u>	<u>2007</u>
Assets		
Current assets	\$ 669	\$ 1,315
Capital assets - net of accumulated depreciation	<u>15,661</u>	<u>16,692</u>
Total Assets	<u>\$ 16,330</u>	<u>\$ 18,007</u>
Liabilities		
Current liabilities	\$ -	\$ -
Long term liabilities	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>
Net Assets		
Net Assets Invested in capital assets, net of related debt	15,661	16,692
Unrestricted	<u>669</u>	<u>1,315</u>
Total Net Assets	<u>16,330</u>	<u>18,007</u>
 Total Liabilities and Net Assets	 <u>\$ 16,330</u>	 <u>\$ 18,007</u>

#### Analysis of Financial Position

The assets of the Menominee & Ingallston Township Transfer Station is \$16,330 with no liabilities at March 31. Of this amount, \$669 (*unrestricted net assets*) may be used to meet the Unit's ongoing obligations to citizens and creditors.

The Unit's total net assets decreased by a net amount of \$1,677

As of March 31, 2008, the Unit's Governmental Fund reported an ending fund balance of \$669, a decrease of \$646 in comparison with the prior year. This total amount is available for spending at the Unit's discretion (*unrestricted fund balance*).

## Menominee & Ingallston Township Transfer Station

### Management's Discussion and Analysis for the Year Ended March 31, 2008

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#### Results of Operations

For the fiscal years ended March 31, the Township's results of operations is as follows:

	<u>2008</u>	<u>2007</u>
Revenue		
Charges for services	\$ 39,990	\$ 38,901
Other general revenues	<u>1,455</u>	<u>205</u>
Total Revenue	<u>41,445</u>	<u>39,106</u>
Expenses		
Public works	<u>43,122</u>	<u>39,570</u>
Total Expenses	<u>43,122</u>	<u>39,570</u>
Increase in Net Assets	( 1,677)	( 464)
Beginning Net Assets	<u>18,007</u>	<u>18,471</u>
Ending Net Assets	<u>\$ 16,330</u>	<u>\$ 18,007</u>

#### Original vs. Final Budget

An original Budget was prepared on February 20, 2007 and amended on February 26, 2008.

#### Capital Assets

The Township's investment in capital assets decreased \$1,031. This can be summarized as follows:

	Balance <u>April 1, 2006</u>	<u>Additions</u>	<u>Disposals</u>	Balance <u>March 31, 2007</u>
Land	\$ 2,000	\$ —	\$ —	\$ 2,000
Buildings	27,375	—	—	27,375
Equipment	<u>1,251</u>	—	—	<u>1,251</u>
	30,626	—	—	30,626
Less: Accumulated Depr.	<u>( 13,934)</u>	<u>( 1,031)</u>	—	<u>( 14,965)</u>
Net Assets	<u>\$ 16,692</u>	<u>\$ ( 1,031)</u>	<u>\$ —</u>	<u>\$ 15,661</u>

#### Contacting the Township's Financial Management

This financial report is designed to provide our citizens and taxpayers with a general overview of the Township's finances. If you have questions about this report or need additional information, contact the Transfer Station.

## Menominee & Ingallston Township Transfer Station

### Statement of Net Assets for the Year Ended March 31, 2008

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current Assets	
Cash	\$ 669
Total Current Assets	<u>669</u>
Non-Current Assets	
Capital assets	30,626
Less accumulated depreciation	<u>(14,965)</u>
Total Non-Current Assets	<u>15,661</u>
<b>Total Assets</b>	<b><u>\$ 16,330</u></b>
<b>LIABILITIES</b>	
Current Liabilities	
Accounts payable	\$ <u>—</u>
Total Current Liabilities	<u>—</u>
Net Assets	
Net assets invested in capital assets, net of related debt	15,661
Unrestricted	<u>669</u>
Total Net Assets	<u>16,330</u>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 16,330</u></b>

# Menominee & Ingallston Township Transfer Station

Statement Activities  
for the Year Ended March 31, 2007

		<u>Program Revenue</u>		<u>Governmental Activities</u>
	<u>Expense</u>	<u>Charges for Service</u>	<u>Operating Grants</u>	<u>Net (expense) Revenue and Change in Net Assets</u>
<b>FUNCTIONS/PROGRAMS</b>				
<b>Governmental Activities:</b>				
Public works	<u>\$(43,122)</u>	<u>\$ 39,990</u>	<u>\$ —</u>	<u>\$( 3,132)</u>
<b>Total Governmental Activities</b>	<b><u>\$(43,122)</u></b>	<b><u>\$ 39,990</u></b>	<b><u>\$ —</u></b>	<b><u>( 3,132)</u></b>

## GENERAL REVENUES

Miscellaneous

Total General Revenue

1,455

Changes in Net Assets

( 1,677)

Net Assets:

Beginning of Year

18,007

End of Year

**\$ 16,330**

**Menominee & Ingallston Township Transfer Station**  
Balance Sheet  
Governmental Fund  
for the Year Ended March 31, 2008

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**ASSETS**

Cash	\$ 669
<b>Total Assets</b>	<b><u>669</u></b>

**LIABILITIES AND FUND BALANCES**

**LIABILITIES**

Accounts payable	\$ —
<b>Total Liabilities</b>	<b><u>—</u></b>

**FUND BALANCES**

Undesignated	669
<b>Total Fund Balance</b>	<b><u>669</u></b>

<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 669</u></b>
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**Menominee & Ingallston Township Transfer Station**  
Governmental Fund  
Reconciliation of Balance Sheet of Governmental Fund to Net Assets  
March 31, 2008

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Total Fund Balances - Governmental Fund	\$ 669
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*Amounts reported for Governmental activities  
in the statement of net assets are different because:*

Capital assets used in Governmental activities  
are not financial resources and are not reported  
in the fund.

The cost of the capital assets is	30,626
Accumulated depreciation is	<u>( 14,965)</u>

Net Assets of Governmental Activities	<u>\$ 16,330</u>
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**Menominee & Ingallston Township Transfer Station**  
**Statement of Revenues, Expenditures and Changes**  
**in Fund Balance - Governmental Fund**  
**for the Year Ended March 31, 2008**

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**REVENUE**

Charges for services	\$ 39,990
Miscellaneous	<u>1,455</u>
Total Revenue	41,445

**EXPENDITURES**

Public works	<u>42,091</u>
Total Expenditures	<u>42,091</u>

<b>Excess of Revenues Over (Under) Expenditures</b>	( 646)
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<b>Fund Balance - April 1</b>	<u>1,315</u>
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<b>Fund Balance - March 31</b>	<u><u>\$ 669</u></u>
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**Menominee & Ingallston Township Transfer Station**  
Reconciliation of the Statement of Revenue, Expenditures  
and Changes in Fund Balances of Governmental Fund to the Statement of Activities  
for the Year Ended March 31, 2007

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Net change in fund balances - total Governmental funds			\$( 646)
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*Amounts reported for Governmental activities  
in the statement of net assets are different because:*

Governmental funds report capital outlay as  
expenditures; in the statement of activities.  
These costs are allocated over their estimated  
useful lives as depreciation.

Capital outlay	—	
Depreciation expense	<u>( 1,031)</u>	<u>( 1,031)</u>

Change in net assets of Governmental Activities		<u>\$( 1,677)</u>
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**Menominee & Ingallston Township Transfer Station**  
Menominee County, Michigan  
Notes to General Purpose Financial Statements  
March 31, 2008

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**NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements to the Menominee & Ingallston Township Transfer Station, Menominee County, Michigan have been prepared in conformity with accounting principles accepted in the United States of America (GAAP) as applied to Governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing Governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the Menominee and Ingallston Township's Transfer Station are described below:

1. The Financial Reporting Entity

The Menominee and Ingallston Township Transfer Station is a joint venture between Menominee and Ingallston Townships in Menominee County, Michigan, formed to provide garbage collection services to both Township's residents. The Transfer Station operates under a ten-member Board consisting of the Menominee and Ingallston Township Board members.

2. Government-wide and Fund Financial Statements

The Government-wide financial statements (*i.e., the statement of net assets and the statement of changes in net assets*) report information on all of the nonfiduciary activities of the primary Government. For the most part, the effect of Interfund activity has been removed from these statements. Governmental activities are reported separate from business-type activities. All the Unit's Government-wide activities are considered Governmental activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenue includes (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the intergovernmental payments and other items not properly included among program revenues are reported instead as general revenue.

**GOVERNMENTAL FUNDS**

General Fund

This fund is used to account for all financial transactions of the Transfer Station including expenditures primarily from user fees.

3. Measurement Focus, Basis of Accounting and Financial Statement Presentation Government-wide Statements

The Unit's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

**Menominee & Ingallston Township Transfer Station**  
Menominee County, Michigan  
Notes to General Purpose Financial Statements (continued)  
March 31, 2008

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**NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**GOVERNMENTAL FUNDS**

3. Measurement Focus, Basis of Accounting and Financial Statement Presentation  
Government-wide Statements (continued)

Accounts reported as program revenue include charges to customers or applicants for goods, services or privileges provided.

Fund Based Statements

Governmental fund financial statements are reported using the current financial measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred as under accrual accounting.

4. Budgets and Budgetary Accounting

The Transfer Station follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. During March, the Transfer Station Board proposes an operating budget for the fiscal year commencing April 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the Menominee and Ingallston Township Board's, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget including authorized additions and deletions, is legally enacted by the Township's Boards' action.
- b. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.
- c. During the year, formal budgetary integration is employed as a management control device.
- d. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the Transfer Station. Amendments to the budget during the year require approval by the Transfer Station Board.
- e. Encumbrance is not used by the Transfer Station to record commitments related to unperformed contracts for goods and services.

**Menominee & Ingallston Township Transfer Station**  
Menominee County, Michigan  
Notes to General Purpose Financial Statements (continued)  
March 31, 2008

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**NOTE A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**GOVERNMENTAL FUNDS**

5. Cash

Cash consists of demand deposits with financial institutions and are carried at cost.

6. Fund Equity

The Transfer Station may establish reserves for those portions of fund equity not appropriable for expenditure or which are legally segregated for a specific future use. Fund equity designations also may be established to indicate tentative plans for financial resource utilization in a future period.

7. Capital Assets

Capital assets which include land, buildings and equipment are reported in the applicable Governmental column in the Government-wide financial statements. Capital assets are defined by the Government as assets with an initial individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Costs of normal repair and maintenance that do not add to the value or materially extended asset life are not capitalized.

Buildings and equipment are depreciated using the straight-line method over the following useful lives:

Buildings and additions	50 years
Other equipment	10 years

**Menominee & Ingallston Township Transfer Station**  
Menominee County, Michigan  
Notes to General Purpose Financial Statements (continued)  
March 31, 2008

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**NOTE 2 CASH AND INVESTMENTS**

At year end the Transfer Station's deposits and investments were reported in the basic financial statements in the following categories:

	<u>Total Primary Government</u>
Cash and cash equivalents	\$ 669
Investments	<u>—</u>
	<u>\$ 669</u>

*The breakdown between deposits and investments for the Transfer Station is as follows:*

Deposits	\$ 669
Investments in securities	—
Petty cash and cash on hand	<u>—</u>
	<u>\$ 669</u>

As required by Governmental Accounting Standards Board Statement No. 40, *Deposits and Investment Risk Disclosures* the following represents a summary of deposits as of March 31, 2008.

Fully insured deposits	\$ 3,198
Collateralized with securities held by the pledging financial institution in the school name	—
Collateralized with securities held by the pledging financial institutions trust department	—
Uncollateralized	<u>—</u>
	<u>\$ 3,198</u>

State statutes authorize the Unit to make deposits in the accounts of federally insured banks, credit unions and savings and loan associations which have an office in Michigan; the District is allowed to invest in U.S. Treasury or Agency obligation, U.S. Government repurchases agreements, bankers' acceptances, commercial paper rated prime at the time of purchases which mature not more than 270 days after the date of purchases, mutual funds and investment pools that are composed of authorized investment vehicles. The Transfer Station's deposits are in accordance with statutory authority.

The Transfer Station had no investments at March 31, 2008.

**Menominee & Ingallston Township Transfer Station**  
Menominee County, Michigan  
Notes to General Purpose Financial Statements (continued)  
March 31, 2008

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**NOTE C CAPITAL ASSETS**

The changes in capital assets are as follows:

	Balance April 1, 2007	Additions	Disposals	Balance March 31, 2008
Land	\$ 2,000	\$ —	\$ —	\$ 2,000
Buildings	27,375	—	—	27,375
Equipment	<u>1,251</u>	<u>—</u>	<u>—</u>	<u>1,251</u>
	30,626	—	—	30,626
Less: Accumulated Depreciation	<u>(13,934)</u>	<u>(1,031)</u>	<u>—</u>	<u>(14,965)</u>
Net Assets	<u>\$ 16,692</u>	<u>\$(1,031)</u>	<u>\$ —</u>	<u>\$ 15,661</u>

Depreciation expenses of \$1,031 were charged to the fund:

**NOTE D RISK MANAGEMENT**

The Transfer Station has purchased commercial insurance policies for various risks of loss related to torts; theft, damage or destruction of assets; errors or omissions; injuries to employees; or acts of God. Payments of premiums for these policies are recorded as expenditures in the general fund of the Transfer Station.

**NOTE E CONTINGENT LIABILITIES**

From time to time, the Transfer Station is party to pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Transfer Station's financial position or results of operations.

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## **REQUIRED SUPPLEMENTAL INFORMATION**

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**Menominee & Ingallston Township Transfer Station**  
Statement of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
General Fund  
Year Ended March 31, 2008

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Over (Under)</u>
<b>Revenue</b>				
Charges for services	\$ 46,000	\$ 46,000	\$ 39,990	\$( 6,010)
Miscellaneous	<u>—</u>	<u>—</u>	<u>1,455</u>	<u>1,455</u>
Total Revenue	46,000	46,000	41,445	( 4,555)
<b>Expenditures</b>				
Public Works				
Salaries and benefits	19,900	19,900	20,913	1,013
Trucking	15,000	15,000	13,918	( 1,082)
Insurance	3,500	3,500	3,093	( 407)
Supplies and repairs	1,500	2,400	1,772	( 628)
Electricity	600	600	563	( 37)
Telephone	700	700	740	40
Professional services	1,000	1,000	825	( 175)
Miscellaneous	1,000	1,000	267	( 733)
Capital outlay	1,000	1,000	—	( 1,000)
Contingency	<u>3,000</u>	<u>2,100</u>	<u>—</u>	<u>( 2,100)</u>
Total Expenditures	47,200	47,200	42,091	( 5,109)
<b>Excess of Revenues Over (Under) Expenditures</b>	( 1,200)	( 1,200)	( 646)	554
<b>Fund Balance - April 1</b>	<u>1,200</u>	<u>1,200</u>	<u>1,315</u>	<u>115</u>
<b>Fund Balance - March 31</b>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 669</u>	<u>\$ 669</u>

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## **ADDITIONAL REPORT AND SCHEDULE**

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# Carl R. Sorensen

Certified Public Accountant

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P.O. Box 225

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Phone 715-735-9021  
Fax 715-735-7116

To the Board  
Menominee and Ingallston Township Transfer Station  
Menominee County Michigan

## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

I have audited the financial statements of the Governmental activities, each major fund and the aggregate remaining fund information of Menominee and Ingallston Township Transfer Station for the year ended March 31, 2008, which collectively comprise the Menominee and Ingallston Township Transfer Stations basic financial statements and have issued my report thereon dated July 30, 2008. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Township's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Township's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency or a combination of control deficiencies that adversely affects the Township's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Township's financial statements that is more than inconsequential will not be prevented or detected by the Township's internal control.

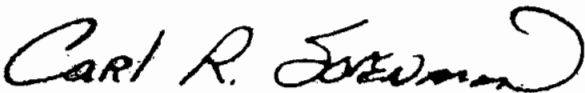
A material weakness is significant deficiency or combination of significant deficiencies that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Township's internal control.

My consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses as defined above.

### Compliance and other Matters

As part of obtaining reasonable assurance about whether Menominee and Ingallston Township Transfer Station financial statements are free of material misstatement I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of the management of Menominee and Ingallston Township Transfer Station and the State of Michigan. However, this report is a matter of public record and its distribution is not limited.



July 30, 2008

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